

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0662-07
Bill No.: SCS for HCS for HJR 7
Subject: Constitutional Amendment–Toll Roads
Type: Original
Date: May 11, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	\$0	(\$52,560)	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	(\$52,560)	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration–Division of Accounting and Division of Budget & Planning** assume the proposal would have no impact on the Office. In response to previous similar legislation, officials with the **Office of the State Treasurer** assumed that the proposal would have no fiscal impact on the Office.

Officials of the **Department of Transportation (MoDOT)** assume the proposal would authorize the Missouri Highways and Transportation Commission to conduct feasibility studies for toll roads, as well as to design, acquire, construct, maintain, reconstruct, and operate toll facilities. The facilities would be funded from toll facility revenue bonds issued by the Commission. These bonds would not be an obligation of the state. When the bonds issued for a particular facility have been paid, the toll would be discontinued, and the facility would become part of the free state highway system. MoDOT officials note that the legislation would provide the Commission with an alternative method to fund and build transportation facilities in the state. There would be an unknown positive impact in that the Commission would have alternate methods to fund & build facilities. There would be no impact on MoDOT revenues until toll roads are constructed. Feasibility studies & designs could be funded from transfers from the State Road Fund.

Oversight notes that the proposal specifically states that bonds issued would not be considered obligations of the state. Proceeds from the sale of such bonds as well as tolls and other revenues derived from any toll facilities constructed are to be credited to toll facility funds and used for payment of principal and interest on the bonds, as well as for the payment of costs associated with the establishment of toll facilities. The proposal does allow the Commission to transfer funds from the State Road Fund in the event revenues from a toll facility are inadequate, if necessary to meet current bond principal and interest obligations, or to initially pay for feasibility studies for and designs of toll facility projects. Any transfers from the fund are to be repaid with interest.

Advertisement costs for the proposal are estimated at \$4,380 per newspaper column inch by the **Office of the Secretary of State (SOS)** for three printings of the text of the proposal, the introduction, title, fiscal note summary, and affidavit. The proposal would be on the ballot for the November 2002 general election.

<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004
GENERAL REVENUE FUND			
<u>Cost–SOS</u>			
Newspaper Advertisements	<u>\$0</u>	<u>(\$52,560)</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2002

FY 2003

FY 2004

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

Under this proposed constitutional amendment, the Transportation Commission is given the authority to conduct feasibility studies about toll facilities and to fund, design, acquire, construct, maintain, reconstruct, and operate toll facilities. The amendment establishes the procedure and limitations for the issuance, collection, and distribution of toll facility revenue bonds or revenue refunding bonds for toll facilities. When toll facilities have been paid for, all bonds retired, and all transfers from the State Road Fund repaid with interest, the toll facilities will become a part of the state highway system. State toll facility revenue bond and refunding bond proceeds, tolls, and other revenues derived from the establishment or operation of toll facilities will not be considered part of total state revenue, and the expenditure of the revenues will not be considered an expense of state government.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
Office of Administration
 Division of Budget & Planning
 Division of Accounting
Office of the Secretary of State
Office of the State Treasurer



Jeanne Jarrett, CPA
Director
May 11, 2001